

Professional Business Solutions

To: DVM Practice Owners

Practice Tips and Ideas Fax Letter

February, 2008

Why, when the stock markets crash, your practice is still your best investment...

Many of us never considered our practice an *investment* and wondered at why the year-end books showed a "profit" *but little or no free cash in the bank*. The reason is you used all your hard earned profit (cash) to either pay off the purchase of a practice or the initial start-up loans. You may not have considered these payments as an investment but more as a cost of doing business. Well look again – you may just be surprised.

Fact: A well-run practice generates a profit of 25% - 35% of it's gross revenue. It is this "left over money", above and beyond the cost of running your practice, you use to pay off loans and build equity in your practice. This 25% – 35% / year **is a phenomenal investment** under any circumstance. And importantly, it is a brick and mortar operation. It supplies a very needed and wanted service to your community which is showing no signs of weakening. More people have pets than ever before and are spending on them more than ever before. **So what a great market to be in.**

It's not that you can't make money in the stock markets, because people can and do. They are however very sensitive to larger economic games and out of your Immediate control.

Your practice on the other hand can and should be under your control. **So next time you look at your investment portfolio include your practice!** You may be pleasantly surprised and at what it is actually worth.

Need help calculating your profit or increasing your profit?

1. Gather your year-end Income statements...
2. Grab your calculator.
3. Give me a call.



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